GOVERNMENT OF INDIA
NEW AND RENEWABLE ENERGY
LOK SABHA

UNSTARRED QUESTION NO:5302
ANSWERED ON:14.08.2014
INDIGENOUS SOLAR MANUFACTURING SECTOR
Rai Shri Prem Das

Will the Minister of NEW AND RENEWABLE ENERGY be pleased to state:

(a) the steps taken by the Government for creation and development of indigenous solar manufacturing sector;

(b) whether several Indian manufacturing facilities have been forced to suspend production and lay off workers due to supply of cheaper modules from global manufactures;

(c) if so, the steps taken by the Government in this regard;

(d) whether the Government provides/proposes to provide low-cost financing to support the solar manufacturing sector; and

(e) if so, the details thereof ?

Answer

THE MINISTER OF STATE FOR POWER, COAL & NEW AND RENEWABLE ENERGY (INDEPENDENT CHARGE) (SHRI PIYUSH GOYAL)

(a): The Ministry has taken following steps for creation and development of indigenous solar manufacturing sector:

i. A provision of domestic content requirement in various schemes to source cells and modules of domestic origin.

ii. Reduction/Exemption of Custom and Excise duty on several input raw materials required for manufacturing of cells and modules.

iii. Capital subsidy for manufacturers under Special Incentive Package Scheme (SIPS) & Modified Special Incentive Package Scheme (M-SIPS) by Ministry of Information Technology.

(b): Some of the Indian Solar Cells and Module Manufacturing facilities are operating at reduced capacity due to insufficient supply orders.

(c): To encourage domestic manufacturing, this Ministry has put a domestic content clause in Government of India (GoI) sponsored schemes in Phase-I and Phase-II of National Solar Mission.

(d): Yes, Madam. Indian Renewable Energy Development Agency Limited (IREDA) has a provision for low cost finance with funds from National Clean Energy Fund (NCEF) with limited coverage.

(e): Refinancing upto 30% of the loan component through banks/FIs at concessional interest rate of 5% for all renewable energy projects including solar manufacturing sector. However, only Rs.100 crores was provided under IREDA/NCEF Refinancing Scheme during 2013-14 which was utilized for refinancing of RE projects. No manufacturing loan was covered under IREDA/NCEF Scheme.